City of Peterborough

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| **To:** | **Members of the Finance Committee** |
| **From:** | **Richard Freymond**<br>**Commissioner of Corporate and Legislative Services** |
| **Meeting Date:** | **July 13, 2020** |
| **Subject:** | **Report CLSFS20-028**<br>**2021 Budget Guidelines** |

# Purpose

A report to recommend the 2021 Budget Guidelines.

# Recommendations

That Council approve the recommendations outlined in Report CLSFS20-028, dated July 13, 2020, of the Commissioner of Corporate and Legislative Services, as follows:

a) That the Draft 2021 Operating Budget reflect an estimated 3.0% all-inclusive (Municipal, Education, Sanitary Sewer Surcharge) increase for general Operating Budget impacts and in support of the capital program, including a provision for Stormwater Protection;

b) That the revised Tax Ratio Reduction Program continues for the 2021 Budget for the final year, and reflects reductions:

   i) to the Industrial Class Tax Ratios but not the Multi-residential Class, and

   ii) at the reduced rate established through the 2016 Budget process;

c) That the increase in the Police Services portion of the draft 2021 Operating Budget reflect no more than the estimated Operating portion of Net Tax Levy increase (estimated to be 2.43%), and any increase in the

net Police Services budget beyond the estimated Operating Portion of the Net Tax Levy increase be addressed by Council as part of the detailed 2021 Budget deliberations to occur in November of 2020; and

d) That in response to Federal or Provincial announcements such as stimulus Funding becoming available as part of the COVID-19 pandemic recovery plan, staff be directed to provide a further Report at a later date in 2020 seeking up to an additional 0.5% All-Inclusive increase to provide the local funding share, if required.

e) That, similar to the COPHI dividend payment, the annual earnings from investing the proceeds resulting from the sale of assets of PDI be directed towards enhancing Capital financing, and not be used for purposes of reduction in the net tax levy.

## Budget and Financial Implications

Based on a number of early assumptions, a combined 3.0% all-inclusive rate increase equates to a $4.0 million (2.9%) increase in total tax levy requirements.

Recommendation c), regarding the Tax Ratio Reduction Program, does not impact the 2021 levy requirement nor the amount of tax collected, but does reduce the tax burden of the Industrial Class, and increases the burden of the Residential and Multi-residential Tax Classes. The impact to the Residential Class is estimated to be $111,400 or 0.06% on the all-inclusive increase.

Chart 1 is representative of the 2021 Budget impacts that staff are aware of as the Preliminary Budget Guideline Report was prepared and are considered over and above the amounts in the 2020 Operating Budget base. Each line in the chart impacts the All-Inclusive rate. Financial impacts just to maintain existing levels of service are estimated to be $5.8 Million and when combined with $2.0 Million in funding enhancements for the capital program that staff would recommend be made, result in total of $7.8 Million in budgetary increases. Of the $5.8 Million, $2.8 Million is directly related to impacts from COVID-19.

Passing along the full estimated financial impacts to the taxpayer, would result in an All-Inclusive increase of 5.14%. The recommendation of a 3% All-inclusive Operating increase will provide approximately $4.0M, leaving a shortfall of $3.8 Million or 2.14%. However, staff are very cognizant of the taxpayer’s ability to pay, particularly in these unprecedented circumstances. If this guideline is approved, presenting a budget that meets the guideline will have to involve a critical review of user fees and opportunities for new revenues, a more detailed review of escalating costs and opportunities to reduce them and potential service cuts.

A 1% change in the All-Inclusive Rate equates to $1,741,875. For an average taxpayer based on an estimated 2021 median assessed value of $260,000, the recommended All-inclusive increase of 3.0% would add an estimated $124 to the combined municipal, education, storm and sewer surcharge levy.

**Chart 1**
**2021 Budget Impacts as per Preliminary Budget Guideline Report**

| Ref | Description | 2021 Incremental Adjustments to Base Budget Amounts |
|---|---|---|
| Col 1 | Col 2 | Col 3 |
| 1 | **To Maintain Existing Levels of Service** | |
| 2 | **Issues Carried Forward from 2020** | |
| 3 | Insurance | $ 305,000 |
| 4 | Right-sizing POA Net Revenues | $ 194,000 |
| 5 | Public Works Material Costs for Winter Control | $ 270,000 |
| 6 | Impact on base Net Tax Requirement of 2020 budget assessment over-estimation | $ 700,000 |
| 7 | **Sub-total Issue Carried over from 2020** | **$ 1,469,000** |
| 8 | **COVID** | |
| 9 | Recycling Revenues - Low Commodity Prices (COVID) | $ 600,000 |
| 10 | Decreased Investment Revenues - Low Interest Rates (COVID) | $ 835,000 |
| 11 | Transit - Additional services and loss of revenues (COVID) | $ 1,333,000 |
| 12 | Additional Cleaning/PPE Costs (COVID) | $ 63,000 |
| 13 | **Sub-total COVID pressures** | **$ 2,831,000** |
| 14 | **Other Issues** | |
| 15 | Estimated Reduction in COPHI dividend | $ 700,000 |
| 16 | Income from Investing PDI Proceeds | -$ 1,500,000 |
| 17 | General Inflationary Pressures | $ 450,000 |
| 18 | Federal Carbon Tax Impact - Vehicle Fuel | $ 302,310 |
| 19 | Fairhaven Debt Retirement | -$ 323,212 |
| 20 | Information Technology | $ 120,000 |
| 21 | Net Impact of Staffing Compensation | $ 1,381,400 |
| 22 | Heat & Utilities | $ 70,400 |
| 23 | Fairhaven - Additional Operating Funding | $ 200,000 |
| 24 | Snow Clearing | $ 53,800 |
| 25 | Social Services - changes in Children's Services Admin. Funding - Impact unknown at this time | $ - |
| 26 | Social Services - New Service Delivery Model Impacts - Impact unknown at this time | $ - |
| 27 | **Sub-total Other Issues** | **$ 1,454,698** |

**Chart 1 (continued)**
**2021 Budget Impacts as per Preliminary Budget Guideline Report**

| Ref | Description | 2021 Incremental Adjustments to Base Budget Amounts |
|---|---|---|
| Col 1 | Col 2 | Col 3 |
| 28 | **Total Operating Budget Impacts to Maintain Levels of Service** | **$ 5,754,698** |
| 29 | **Additional Levels of Service for Capital** | |
| 30 | Increase to Capital Levy (Inflationary) | $ 67,600 |
| 31 | Replenish Capital Levy/FRMP CL (over 5 Years) used in 2020 Budget | $ 160,000 |
| 32 | Net Impact of PDI re-investment income and COPHI Dividend used for Capital | $ 800,000 |
| 33 | Waste Water Protection – Storm and Sanitary Sewer | $ 970,000 |
| 34 | Capital Financing Policy | $ - |
| 35 | Additional Levels of Service - Possible Capital financing | **$ 1,997,600** |
| 36 | **Total Operating Budget increases** | **$ 7,752,298** |

# Background

## 2021 Budget Process Began April 2020

In April 2020, staff began the process of compiling the preliminary 2021 Budget estimates.

During the various review stages, staff will ensure the 2021 Draft Budget, to be presented to Budget Committee on November 2, 2020, achieves the guidelines ultimately approved through discussions of this report.

## 2021 Budget Survey

The City engages with residents to gather ideas, suggestions and feedback as it drafts the budget each year for Council's consideration. The City consults with the community throughout the budget process – at the beginning when setting the guideline, when the draft budget is released, and before Council considers approving the budget.

City Council's Budget Roadshow was scheduled to include a series of sessions five informal, drop-in style sessions. The sessions would provide an opportunity for residents to talk with Council members and Finance staff about priorities for next year's budget and to have conversations about issues in the community.

The Budget Roadshow was part of a community engagement approach that also included a survey and the traditional interaction between Council, City staff, and the community that takes place outside of organized consultation.

Council held the first Budget Roadshow on March 5, 2020. The World Health Organization declared the COVID-19 pandemic on March 11, 2020, which led to the cancellation of the final three drop-in sessions.

The budget survey was open for about seven weeks from February 25 to April 16, 2020. With the cancellation of drop-in sessions due to the pandemic, the City re-opened the budget survey from May 5 to May 18, 2020 as another opportunity for public input. The survey offered broad, high-level topics and questions as one way for residents to engage in the budget process at this early stage of drafting the budget. There were 519 responses to the survey (262 of the responses were received during the first period from February 25 to April 16, 2020).

Appendix A is a summary of the budget survey results. The complete survey results report is available on the City's website at www.peterborough.ca/budget. Survey respondents ranked the most important issues facing the community, recognizing that not all these issues are within the City's control. The following is the overall ranking from most important to least important:

1. Housing/accommodations
2. Social issues (e.g. poverty, social services and resources, childcare)
3. Cost of living
4. Environment/climate change/sustainability
5. Health/public health (e.g. addiction services, healthy communities initiatives)
6. Economy/jobs/economic issues
7. Infrastructure/transportation
8. Crime/criminal activity
9. Provision of recreation facilities
10. Property taxes
11. Governance and transparency (e.g. bylaws, resident-government relations, community engagement activities)
12. Arts, culture and heritage

In the comments section, respondents specified other topics most important to the community including industrial land, homelessness, health care, the downtown, climate change, City debt, addictions, arenas, roads, and food security.

Survey participants were also asked how well the City is doing in terms of service delivery. The following municipal service groups had the highest percentage of very satisfied or somewhat satisfied responses:

- Garbage
- Fire prevention, police, paramedics
- Sewer, water, stormwater management
- Providing and maintaining parks and greenspaces
- Recycling

Respondents were the least satisfied with the City's enabling of affordable housing with slightly more than 50% selecting either very unsatisfied or unsatisfied. For all other categories a majority of respondents indicated they were either satisfied, very satisfied, or neutral.

Participants were asked to consider some of the broad tools that the City has available for balancing its budget, as required by law. They could select one option or a mix of up to three options.

- 46% Increase user fees for City services that currently have fees (53% in 2019)
- 46% Introduce new user fees for some City services that currently have no feeds (55% in 2019)
- 39% selected increase property taxes (39% in 2019)
- 28% reduce service levels (32% in 2019)
- 23% chose "other"

Respondents indicated what they think the property tax change should be in 2021 based on their expectation for infrastructure and service levels (estimated per month cost is based on assumptions for property value assessment for a typical home valued at $269,800 in 2021).

- 20.7% of respondents – 2% to 2.5% increase ($6.89 to $8.62 per month) – Generally maintains existing levels of service
- 18.5% of respondents – 2.5% to 3% increase ($8.62 to $10.34 per month) – Maintain existing levels of service, keeping pace with inflationary increases and legislated requirements
- 17.9% of respondents – 4% increase ($13.79 per month) – Increase investments in infrastructure/services
- 13.2% of respondents - 5% increase ($17.23 per month) – Substantially increase investments in infrastructure/services

- 9.3% of respondents – No property tax increase – Reduce service levels and infrastructure maintenance

- 8.9% of respondents – 1% increase ($3.45 per month) – Will require reduction in services and infrastructure investments when accounting for inflationary increases and legislated requirements

- 7.9% of respondents – Other (responses included comments such as staffing reductions, eliminate the use of consultants, wage freezes, increasing revenue outside of property taxes, increasing taxes on large corporations, reducing spending on non-essential services, and increasing development charges)

- 3.6% of respondents – Decrease property taxes – Substantial decrease in services and investments in infrastructure

The survey also included several open comment sections for respondents to provide ideas and feedback outside of the set response options. The comments are available as part of the complete survey response report.

All public engagement will be considered in preparing the Draft 2021 Budget, in conjunction with several criteria such as available funding and other resources, legislative requirements, and health and safety requirements.

## Public Meetings

In addition to the Budget Survey, a series of informal ward meeting and drop-in style events had been planned to accommodate discussions regarding the 2021 Budget. One meeting was held and was well attended, however with the onset of the COVID-19 pandemic the remaining meetings had to be cancelled.

A Public Meeting was held virtually on June 24, 2020 for members of the public to provide their input into the 2021 Budget Guideline. Issues raised by the nine speakers at the public meeting included: promoting cycling and making roads safer for cycling; support for maintaining funding for arts and culture organizations; support of and against an increase in property taxes; transit service changes; the climate crisis, particularly increasing enforcement of the City's no idling by-law; and decreasing the police budget to provide more funding for community supports for vulnerable populations.

Other opportunities for public input are planned in July, November and December 2020.

All input received from the public through public meetings will be considered by staff throughout the preparation of the Draft 2021 Budget.

## 3.0% All-Inclusive Increase

Through this Budget Guideline Report, staff recommend a 3.0% all-inclusive increase comprised of a 2.43% general operating and capital program increase, 0.35% to provide $620,000 for Storm Water Protection and an additional 0.22% to provide $350,000 in Sewer Surcharge.

| Year | Operating | Storm Water Protection | Additional SS for Waste Water Protection | Total |
|---|---|---|---|---|
| **2016** | 3.00% | | | 3.00% |
| **2017** | 2.72% | | | 2.72% |
| **2018** | 2.20% | 0.39% | 0.26% | 2.85% |
| **2019** | 1.88% | 0.37% | 0.25% | 2.50% |
| **2020** | 2.15% | 0.36% | 0.24% | 2.75% |
| **2021 Proposed** | 2.43% | 0.35% | 0.22% | 3.00% |

## 2021 Operating Budget

A general discussion on a number of factors is set out below:

**COVID-19 Pandemic**

The COVID-19 pandemic is an unprecedented event that is having a significant financial impact on the City of Peterborough, as outlined in Report CLSFS20-026 dated May 11, 2020 and again in Report CLSFS20-037 dated July 13, 2020. The impact this pandemic will have on the 2021 budget has been estimated at $2.8 Million. Staff will take these impacts into consideration throughout the budget review process. In addition, if there is a forecasted Operational deficit in 2020, as per legislation, the deficit will need to be included in the 2021 Operating Budget.

**Final 2020 Assessment to be Used For 2021 Budget**

The assessment of all property in Ontario is carried out by the Municipal Property Assessment Corporation (MPAC). The current value assessment (CVA) of a property is an estimate of the market value of a property at a fixed point in time.

Beginning with the 2009 taxation year, amendments to the Assessment Act provided for a four-year assessment update cycle. The years 2009 – 2012 were based on a valuation date of January 1, 2008. For 2013, and continuing through 2016, property assessment values have been based on a January 1, 2012 valuation date. For 2017, and continuing through 2020, property assessment values will be based on a January 1, 2016 valuation date. 2021 would have typically been based on re-assessment values as of January 1, 2020. Due to the COVID-19 pandemic, the Provincial Government deferred the MPAC reassessment for 2021 and deemed that the “Destination Assessment” for 2020 was to be used for 2021 Municipal tax purposes.

The following provides a sample calculation of the assessment for 2021.

| Taxation Year | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---|---|---|---|---|---|---|
| Valuation Date | January 1, 2012 | January 1, 2016 | January 1, 2016 | January 1, 2016 | January 1, 2016 | January 1, 2016 |
| CVA | $200,000 | $240,000 | $240,000 | $240,000 | $240,000 | $240,000 |
| Phase-in | 0.00% | 25.00% | 50.00% | 75.00% | 100.00% | 100.00% |
| CVA for taxatio | $200,000 | $210,000 | $220,000 | $230,000 | $240,000 | $240,000 |

In the example above, the 2020 "destination assessment" is the fully phased-in CVA with a January 1, 2016 Valuation Date.

**Assessment 0.0% Real Growth Projections**

Various events and activities influence assessment growth. These include zoning changes, subdivision activity and new construction.

Staff have completed an initial review, including building permits, zoning changes, subdivision activity and condominium plans in light of the impact from the COVID-19 pandemic. An early estimate real assessment growth will be essentially 0% (0.8% in 2020). The small estimate of New Multi-residential real growth in 2021 does not provide enough impact to register in the model. Each assessment class is estimated as follows for 2021:

- Residential 0.00%
- Multi-residential 0.10%
- Commercial 0.00%
- Industrial 0.00%

Altogether, the preliminary analysis completed so far, does not substantiate any realizable growth assessment.

During preparation of the 2020 Budget, staff factored in a 1.0% Residential growth assumption, the actual realized was 0.7%. The differential of 0.3% resulted in a budget impact of approximately $700,000.

**Economic Factors – General inflation and Consumer Price Index (CPI) projected to be approximately 1.7% to 2.0% for 2021**

In 2019, in releasing the Ontario Budget, the Province provided their Fiscal Outlook estimating inflation for 2021 at 1.7%. More recent forecasts from the banking and business sectors have identified an inflation rate of approximately 2.0%.

In an effort to drive efficiencies, and relieve pressure on the taxpayer, the City has instructed staff to submit Draft Budgets assuming a 1.0% inflationary increase.

Impacts subject to inflationary pressures are difficult to quantify, but a conservative estimate of the impact to the operating budget for expenses, other than personnel costs and other pressures specifically addressed, would be $0.4 million.

**Personnel Costs (excluding Police)**

Personnel costs are a major component of the operating budget. Contracts settled for the 2021 budget year are limited to the Amalgamated Transit Union (Local 169). Appropriate assumptions for negotiated settlements will be made for contract settlements with CUPE Locals 126, 504 and 1833, Fire Fighters Association (Local 169) and the Non-Union group. Police Services are referenced in a separate section of this report.

**Utilities**

The City has a Price Hedging contract in place that mitigates a portion of cost increases in the price of electricity consumed. Savings in re-lamping streetlights is conservatively estimated to save the City approximately $0.3 million per year. Until the capital costs are recouped, the savings are being used to finance the capital costs of re-lamping. Staff are following up on all energy retrofit projects to ensure anticipated savings are being realized.

The cost of natural gas is not anticipated to increase in 2021 as a decrease in price per Cubic Meter is offset by an increase in delivery charge. The volume of gas used by the City is forecasted to increase by an estimated 2% due to a trend in colder winter temperatures.

The 2019 Federal budget introduced a Carbon tax that took effect in April 2019. The tax is in the form of a charge of 0.039 cents per cubic meter. The unit price will increase in 2021 to 0.0783 cents per cubic meter. Incremental increases will continue annually until 2022. The cumulative impact of this tax on the City's natural gas cost is estimated at $165,950 in 2021 and $207,500 by 2022.

**Fuel Prices**

Fuel prices have been decreasing since mid- 2018, with a noticeable drop in recent months. There continues to be a high degree of risk and uncertainty in predicting fuel prices. The Federal Government's Carbon Tax (FGCT) impact on the City's fuel costs has been mitigated in 2020 by the recent drop in prices. If this decrease in world demand continues into 2021 then again, the FGCT impacts should be offset. Starting in April 2021 there will be an additional, 2.2 cents per litre (CPL) for Regular Gas, and 2.7 CPL for Diesel, will be added to the unit cost. Carbon Tax Unit costs will increase again in 2022.

**Federal Carbon Tax Impact - Vehicle Fuel**

| Year | Regular Gas (CPL) | Litres | Cumulative Impact | Diesel Clear & Coloured (CPL) | Litres | Cumulative Impact | Total Cumulative Impact |
|---|---|---|---|---|---|---|---|
| 2019 | $ 0.044 | 404,784 | $ 17,810 | $ 0.0534 | 2,497,070 | $ 133,340 | $ 151,150 |
| 2020 | $ 0.066 | 404,784 | $ 26,720 | $ 0.0801 | 2,497,070 | $ 200,020 | $ 226,740 |
| 2021 | $ 0.088 | 404,784 | $ 35,620 | $ 0.1068 | 2,497,070 | $ 266,690 | $ 302,310 |
| 2022 | $ 0.111 | 404,784 | $ 44,930 | $ 0.1347 | 2,497,070 | $ 336,360 | $ 381,290 |

2021 Budget prices have been forecast using the last 12 months actual prices, the FGCT projected impacts and continuing weaken global demand impacts.

## City/County Weighted Taxable Assessment

A new five-year agreement for consolidated municipal services management (CMSM) between the City and Peterborough County was signed in 2019 with the approval of Report CAO19-012 dated December 2, 2019. The CMSM agreement has a term of January 1, 2020 to December 31, 2024. The previous year's weighted average current value assessment continues to be the allocation basis to calculate the City-County proportionate share for both Provincial Offences and Social Housing. For 2021, the County/City shares will be 55.1% / 44.9% (2020 54.8% / 45.2%).

## Social Services

There are several significant changes occurring in Social Services that will impact the 2021 budget and business planning process. The first is the 2019 Provincial announcement of the Employment Services Transformation and plan for the Ontario Works (OW) to transition to a focus on Life Stabilization. Starting January 1, 2021, Peterborough has been designated as a prototype site for the new employment services model run by Fleming College as the Service System Manager. This change means that Social Services will shift focus from Employment Assistance activities to coaching for Life Stabilization with job training and employment readiness programming done through Fleming College and its agencies. This change will mean a reduction of $1.6M in 100% provincial funding for OW Administration. Expectations and guidelines for this new way of doing business are still unknown; however, the Social Services Division is planning for a revised service delivery model with the intent of there being no impact to the municipal budget due to the loss of provincial funding.

There is also a Provincial plan to review and revise Program Delivery Funding (PDF) formulae for OW and Children's Services. Details and timeframes are not currently known. Previously announced changes include a new cost share on Children's Services Administration scheduled to take effect January 1, 2021. This will see the Province shift the funding from 100% subsidized to 50/50 cost share with municipalities.

The January 1, 2020 provincial funding reduction of the Expansion Plan Program from 100% to 80% is permanent.

At the same time, Social Services is working on addressing the recommendations from the recent KPMG Business Process Review, the move of Housing Services into the Division and Social Assistance Modernization activities. Effective January 2021 there will be a new service delivery model designed to meet these challenges while enhancing the focus on meeting the needs of vulnerable individuals and families in the community.

**Transfers to Other Organizations**

**Police Services**

For the 2021 Budget, staff recommend that the increase in the Police Services portion of the draft 2021 Operating Budget reflect no more than the Operating portion of Net Tax Levy increase (estimated to be 2.43%), and any increase in the net Police Services budget beyond the estimated Operating Portion of the Net Tax Levy increase be addressed by Council as part of the detailed 2021 Budget deliberations to occur in November 2020.

**Paramedic Services**

As part of the 2019 Provincial Budget, the Province indicated that Land ambulance dispatch services will be streamlined by integrating Ontario's 59 emergency health services operators and 22 provincial dispatch communication centres. They also indicated they are committed to exploring new models of care and delivery for emergency health services to improve care for patients and reduce duplication so not every ambulance is sent to an emergency department. In terms of any restructuring of paramedic services, the Ministry of Health and Long-Term Care has committed to forming working groups across the province to have discussions with municipal and other various stakeholder groups. The Province has also indicated that the shared ambulance grants are now frozen at 2018 levels. Due to the yearly funding lag, these 2018 levels are actually based on the Province's 2017 funding allocation. No new information has been received regarding these initiatives, so the 2021 Budget Guideline has assumed a status quo scenario.

PCCP staff have no plan at this time for any enhancement request. There will be a need for recovery from the pandemic in the 2021 budget to replenish pandemic supply stockpile and equipment however an estimate of this cost is not possible to determine at this stage of the pandemic.

**Peterborough Public Health (PPH)**

As part of the 2019 Provincial Budget, the Province indicated that by 2020-21, they will establish 10 regional public health entities and 10 new regional boards of health with one common governance model. They also indicated that the provincial-municipal cost sharing of public health will be adjusted to a 60/40 cost-shared model. This is a significant departure from the recent experience in Peterborough whereby the cost-shared model was 75/25 for only a portion PPH's budget. During deliberations of the 2019 Budget, Council approved a plan to transition over 3 years (2019 – 2021) from 75/25 to a 70/30 funding model. As with PCCP, no information has been received from the Ministry regarding these changes to public health boards, so the 2021 Budget Guideline has assumed a status quo scenario.

**Storm Water Protection and Sewer Surcharge – 0.57% Impact on All-inclusive**

On February 13, 2017, in consideration of Report USEC17-001 Water Resource Protection, Council resolved the following:

c) That related to a dedicated stormwater protection fee:

i) Council recognize the need to, over time, increase the annual stormwater funding allocation by an additional $6.2 million, subject to annual budget discussions; and

ii) In the first year, being 2018, an additional amount up to $620,000 be included in the "All Inclusive" budget, subject to budget discussions and final budget approval.

d) That related to an increased sanitary sewer surcharge, the 2018 Draft Budget and Work Program include the first year of a 10-year phase-in, or $350,000, to gradually fund an additional annual amount of $3.5 million in sanitary funding through increases in the sanitary sewer surcharge.

For 2021, it is recommended that the Draft Operating Budget include the fourth increment of $620,000 along with the fourth incremental increase in the Sewer Surcharge Rate from 101.09% to 102.92%.

**Education Rates – expected to decrease slightly**

Although Education Rates are established by the Province, they affect the final all-inclusive tax increase. Draft Education Rates are typically published by the Province in December of each calendar year for the following year. For the last number of years, the rate has been declining as assessment in the Province has increased. The 2021 Draft Budget will be prepared and presented to Council based on the premise that the Education rates will decrease 4.0% as in 2020.

**Tax Ratios and the Tax Ratio Reduction Plan**

Tax ratios are applied to current value assessment to determine weighted value assessment that is, in turn, used to calculate municipal tax rates.

Tax ratios have a direct bearing on the tax rate calculations and ultimately determine the relationship that industrial, commercial, and multi-residential municipal tax rates have to the residential tax rate.

Continuing the Tax Ratio Reductions Program does not impact tax levy requirements. It does, however, shift the tax burden from one property tax class to another.

2021 is the final year for the program. Staff recommend that the revised Tax Ratio Reduction Program continues for the 2021 Budget and reflects reductions:

i) to the Industrial Class Tax Ratios but not the Multi-residential Class, and

ii) at the reduced rate established through the 2016 Budget process.

The Commercial Class has achieved the goal of a tax rate of 1.5% of the residential class in 2020, the Industrial Class will achieve the 1.5% of residential rate in 2021 which will bring the program to its conclusion.

## Comparative All Inclusive Tax and Sewer Surcharge Rates and Levies

Taking all the above recommendations into consideration, the following chart summarizes the residential tax and sewer rates and resulting levies for a median single-family dwelling:

**Comparative All Inclusive Tax and Sewer Surcharge Rates and Levies**
**For Median Single Family Dwelling (Not on Waterfront)**

| Ref | Description | 2020 | 2021 | Change from 2020 | |
|---|---|---|---|---|---|
| | | | | Amount | % |
| C1 | C2 | C3 | C4 | C5 | C6 |
| 1.01 | **Gross Expenditures** | 288,031,129 | 298,112,219 | 10,081,090 | 3.5% |
| 1.02 | **Amount raised from taxation** | 137,577,006 | 141,609,332 | 4,032,326 | 2.9% |
| 1.03 | **Effect of tax ratio plan on change in all-inclusive rate** | | | | 0.1% |
| 1.04 | **Effect of 2021 Real Assessment Growth on change in all- inclusive rate** | | | | 0.0% |
| 2.00 | **Residential Tax Rates** | | | | |
| 2.01 | Municipal | 1.2486790% | 1.2953760% | 0.0466970% | 3.7% |
| 2.02 | Education (estimate) | 0.1545600% | 0.1483780% | -0.0061820% | -4.0% |
| 2.03 | **Total** | **1.4032390%** | **1.4437540%** | **0.0405150%** | **2.9%** |
| 3.00 | **Average Annual Water Rates** | 481.96 | 491.60 | 9.64 | 2.0% |
| 4.00 | **Sewer Surcharge Effective Rate** | **101.09%** | **102.92%** | **1.8%** | **1.8%** |
| | **Levies / Collected** | | | | |
| 5.00 | **Water Revenues** | 17,100,000 | 17,442,000 | 342,000 | 2.0% |
| 5.01 | **Sewer Surcharge** | 16,594,900 | 17,233,300 | 638,400 | 3.8% |
| 6.00 | **Estimated Median Assessed Value - SFD Not on Waterfront** | 260,000 | 260,000 | 0 | 0.0% |
| 7.00 | **Residential Tax Levy on Assessment** | | | | |
| 7.01 | Municipal | 3,246.57 | 3,367.98 | 121.41 | 3.7% |
| 7.02 | Education | 401.86 | 385.78 | -16.07 | -4.0% |
| 7.03 | **Total** | **3,648.43** | **3,753.76** | **105.34** | **2.9%** |
| *7.04* | *Per month* | *304.04* | *312.81* | *8.78* | *2.9%* |
| 8.00 | **Sewer Surcharge Payable** | 487.21 | 505.95 | 18.74 | 3.8% |
| *8.01* | *Per Month* | *40.60* | *42.16* | *1.56* | *3.8%* |
| 9.00 | **Stormwater Protection Surcharge payable** | 0.00 | 0.00 | 0.00 | N/A |
| 9.01 | Per Month | 0.00 | *0.00* | *0.00* | N/A |
| 10.00 | **Total Municipal Tax, Sewer and Stormwater** | **3,733.78** | **3,873.93** | **140.15** | **3.8%** |
| *10.01* | *Per Month* | *311.15* | *322.83* | *11.68* | *3.8%* |
| 11.00 | **Combined Mun and Ed Tax Plus Sewer Surcharge & Stormwater** | **4,135.64** | **4,259.71** | **124.08** | **3.00%** |
| 11.01 | *Per Month* | *344.64* | *354.98* | *10.34* | *3.00%* |

**Notes**

1 The tax levies shown are for the median single family dwelling unit (not on waterfront) assessed at $ 260,000 for 2020 and $ 260,000 for 2021 Individual tax levies and percentage changes will vary depending on actual assessed values each year.

2 A $1,738,862 change in net tax levy for 2021 equates to a 1% change in the Combined Municipal and Education Tax on Assessment plus Sewer Surcharge. For example, to lower the 2021 proposed 2.5% increase to 1.5%, $1,738,862 net tax levy funded expenditures would have to be eliminated.

## 2021 Capital Budget

The amount of capital work to be done to maintain the City's assets or expand its infrastructure due to increasing demands continues.

### Debt Maturing in 2021 and Future Years

The future effects of the Capital Financing Policy are starting to be realized; part of the justification of the Capital Financing Policy was that, in addition to adding capital funding in years it was utilized, it also created funding room in the years ahead when the debt matured. Indeed, increasing levels of debt servicing costs are becoming available to be re-purposed in the capital program.

The chart below identifies the debt servicing costs that will be made available from debt that has matured in the previous year.

**Summary of Debt Servicing Costs on Maturing Debt**

| | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|
| Tax Supported | 711,712 | 460,981 | 1,013,754 | 686,421 | 1,143,507 |
| Non-Tax Supported | 1,141,594 | 433,000 | 117,000 | 1,064,141 | 121,000 |
| Total | 1,853,306 | 893,981 | 1,130,754 | 1,750,562 | 1,264,507 |

### No Request to Increase Provision for Additional Capital Financing a part of the 3.0% of the All-inclusive rate

At its meeting held April 23, 2012, based on recommendations in Report CPFS12-011, dated April 4, 2012, Council approved a new Capital Financing Policy. The new policy identified additional capital levy and created additional capacity to issue new debt but increased the amount of annual principal and interest to be repaid that has to be budgeted in the annual operating budget.

The following was established:

c) That the maximum current year annual debt repayment is based on 15% of the City's consolidated own-purpose revenues (Net Revenues), inclusive of the tax-supported current year debt payment, which is limited to 8% of the corporation's own purpose revenues; and

d) That, to phase-in the new maximum debt limit, the total annual amount of new tax-supported debt charges and any increase in the capital levy

provision be limited so that the impact on the residential all-inclusive tax increase does not exceed 1% per year.

There was no Capital Policy increase in the 2020 budget. For 2021, no increase in Capital Policy funding has been included in the total 3.0% all-inclusive rate increase, however staff will continue to review whether an opportunity exists based upon the flexibility to balance operating and capital budget needs.

Recommendation d) does seek direction to return to Council at a later date in 2020 in response to Federal or Provincial announcements, such as stimulus Funding becoming available as part of the COVID-19 pandemic recovery plan, seeking up to an additional 0.5% All-Inclusive increase to provide the local funding share, if required.

In 2020, the City received Provincial formula-based Ontario Community Infrastructure Fund – in the amount of $2.2 million. At this time, the proposed allocations for 2021 cannot be confirmed.

**Dividends from City of Peterborough Holdings Inc. (CoPHI) and Sale of Assets of PDI**

For the purposes of preparation of the 2021 Budget and subject to further Council discussion and direction, staff recommend that similar to the COPHI dividend payment, any additional investment proceeds from the sale of PDI, be directed towards enhancing Capital financing, and not be used for purposes of reduction in the net tax levy.

For 2021, it is assumed that the City will receive $6.34 ($5.91 – 2020) million in dividend payments from CoPHI, the Peterborough Utilities Group of Companies. However, when the transaction for the sale of assets of Peterborough Distribution Inc. is completed, a further analysis in the impact of the loss of dividends from PDI will be required. This report estimates the impact at $700,000. If a 3% return can be achieved on the investment proceeds of $50M, investment revenues of $1.5 M will be realized, for additional net revenues of $0.8M.

**Pre-commitments of Capital Financing**

Chart 2 summarizes the pre-commitments of funding Council has made, or will be asked to make, towards the 2021 Capital program. Altogether, there is $8,215,600 in funding to four different projects or initiatives. Of this amount, $4,615,600 is tax supported.

**Chart 2**
**2021 Approved Capital Pre-Commitments**

| | Project name | Report Reference | Development Charges | Casino Gaming Reserve | Federal Gas Tax | Tax Supported Debt/Capital Levy | Total 2021 Commitment |
|---|---|---|---|---|---|---|---|
| 1 | Enterprise Software Moderization | CLSFS19-056 | | | | $ 1,000,000 | $ 1,000,000 |
| 2 | Bethune Street Diversion | CLSFS19-056 & IPSENG20-007 | $ 1,900,000 | | | $ 3,615,600 | $ 5,515,600 |
| 3 | Peterborough Organics Project & Low Carbon Economy Fund Application Resulyts | IPSES19-010 - **Note 1** | | | | | $ 1,700,000 |
| | | | | | | | |
| **3** | **Total** | | **$ 1,900,000** | **$ -** | **$ -** | **$ 4,615,600** | **$ 8,215,600** |

**Note 1** - These budget amounts and funding sources will be further refined through future budget approval processes. Funding sources for the municipal share may include development charges, tax supported debt, user fee supported debt and waste management reserve.

### Next Steps

The 2021 Budget Schedule includes the following key dates:

| | |
|---|---|
| July 27, 2020 | City Council to consider approving a guideline for drafting the 2021 Budget |
| Nov. 2, 2020 | Draft 2021 Budget documents presented to Finance Committee |
| Nov. 16, 2020 | Public meeting for City Council to hear comments from the community on the draft 2021 Budget |
| Nov. 17, 2020 | External agencies attend City Council's budget deliberations |
| Nov. 23-26, 2020 | Finance Committee deliberations on the draft 2021 Budget |
| Dec. 14, 2020 | City Council considers approval of the 2021 Budget |

## Summary

If the recommendations in this report are approved, staff will continue to prepare a Draft Budget that reflects a target of a 3.00% all-inclusive tax increase. There are, however, many impacts that are not fully understood at this time and there is a risk in committing to this increase. A critical review of all programs is ongoing to find efficiencies and mitigate cost increases.

If necessary, staff may come back to Council at a later point in the year, before the final draft documents are complied, when hopefully a more complete understanding of some of the financial impacts referred to in this report are known and seek further direction.

Submitted by,

Richard Freymond
Commissioner of Corporate and Legislative Services

Contact Name:

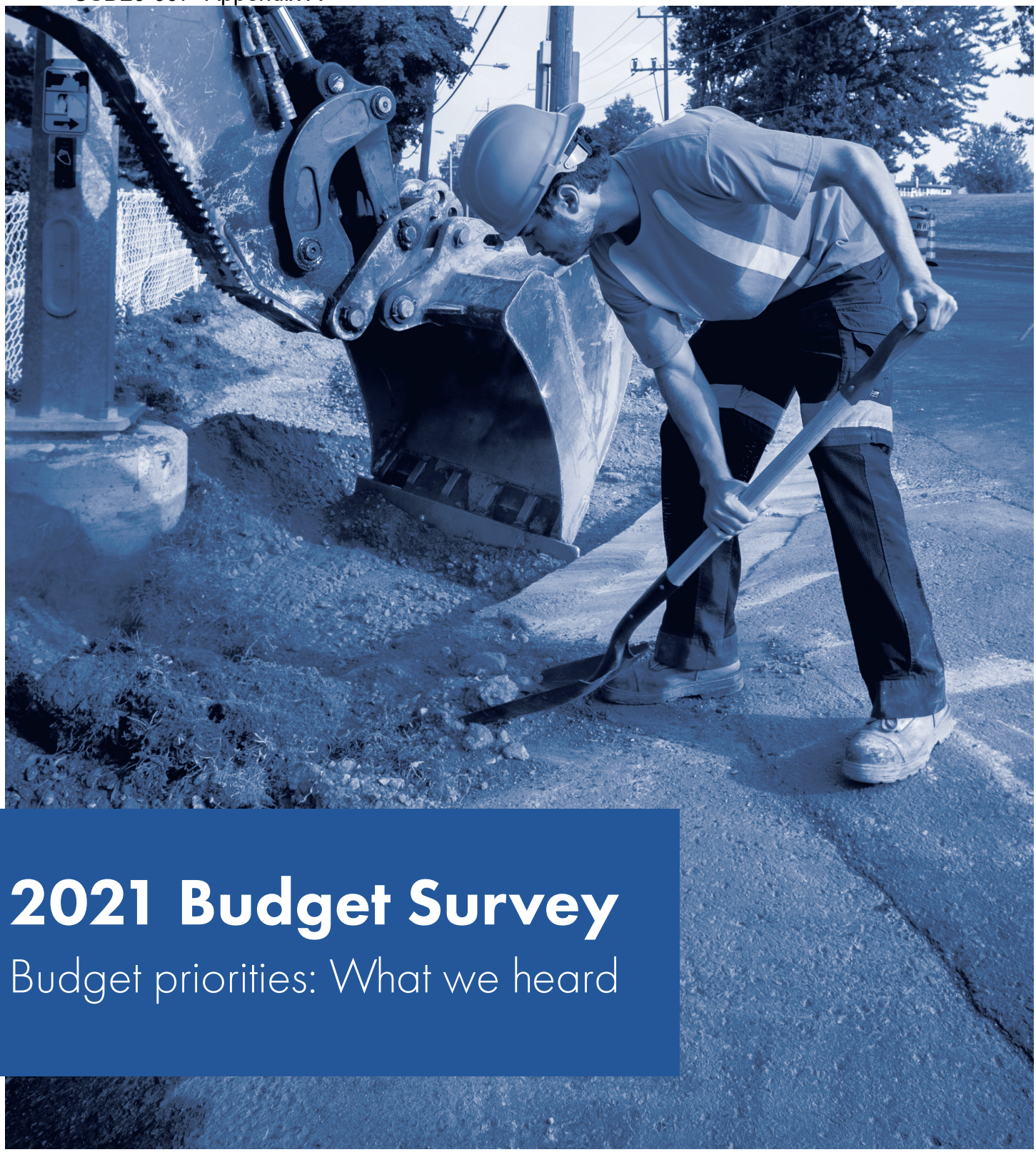
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Commissioner of Corporate and Legislative Services
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Attachments:

Appendix A - 2021 Budget Survey Results

Appendix B - 2020 Gross Operating Expenditures and 2020 Net Operating Expenditures

Appendix C - What a Residential Taxpayer Pays for Various Municipal Services for the year 2020



# 2021 Budget Survey

## Budget priorities: What we heard

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## 2021 Budget Consultation

The City engages with residents to gather ideas and feedback as it drafts the budget each year for City Council's consideration. The City consults with the community throughout the budget process – at the beginning when setting the guidelines, when the draft budget is released, and before Council considers approving the budget.

This "What We Heard" report outlines the consultation at the beginning of the process for the drafting of the 2021 Budget, which is provided to Council ahead of setting the guidelines for preparing the draft 2021 Budget.

### Budget Roadshow

City Council's Budget Roadshow was scheduled to include a series of sessions five informal, drop-in style sessions. The sessions would provide an opportunity for residents to talk with Council members and Finance staff about priorities for next year's budget and to have conversations about the issues in our community. The Budget Roadshow was part of a community engagement approach that also included a survey and the traditional contacts between Council, City staff, and the community.

Council held the first Budget Roadshow on March 5, 2020. The World Health Organization declared the COVID-19 pandemic on March 11, 2020, which led to the cancellation of the remaining three drop-in sessions.

The budget survey was open for about seven weeks from February 25 to April 16, 2020. With the cancellation of drop-in sessions due to the pandemic, the City re-opened the budget survey from May 5 to May 18, 2020 as another opportunity for public input. The survey offered broad, high-level topics and questions as one way for residents to engage in the budget process at this early stage of drafting the budget. There were **519 responses** to the survey.



### Respondent Demographics

The City asked for some basic demographic information as part of the survey in order to compare the demographics of survey respondents with the overall demographics of the community.

For example, 75% of respondents indicated they own their home, while the 2016 census put the homeownership in the City of Peterborough at 63%.

The following chart compares the ages of the survey respondents with the 2016 Census information for our community.

| Age | Survey Response | 2016 Census |
|---|---|---|
| 15-19 | 3.1% | 5.5% |
| 20-29 | 7.7% | 14.4% |
| 30-39 | 20.4% | 11.7% |
| 40-49 | 18.7% | 10.8% |
| 50-59 | 20.4% | 13.9% |
| 60-69 | 20% | 13.2% |
| 70-79 | 8.3% | 8.6% |
| 80+ | 1.4% | 7.3% |

The complete survey results report with comments provided is available at peterborough.ca/budget.

## Results Overview: Community Issues by Ranking

Survey respondents ranked the most important issues facing the community, recognizing that not all these issues are within the City's control.

The following is the overall ranking from most important to least important:

1. Housing/accomodations
2. Social issues (e.g. poverty, social services and resources, child care)
3. Cost of living
4. Environment/climate change/sustainability
5. Health/public health (e.g. addiction services, healthy communities initiatives)
6. Economy/jobs/economic issues
7. Infrastructure/transportation
8. Crime/criminal activity
9. Provision of recreation facilities
10. Property taxes
11. Governance and transparency (e.g. bylaws, resident-government relations, community engagement activities)
12. Arts, culture and heritage

In the comments section, respondents specified other topics most important to the community including industrial land, homelessness, health care, the downtown, climate change, City debt, addictions, arenas, roads, and food security.

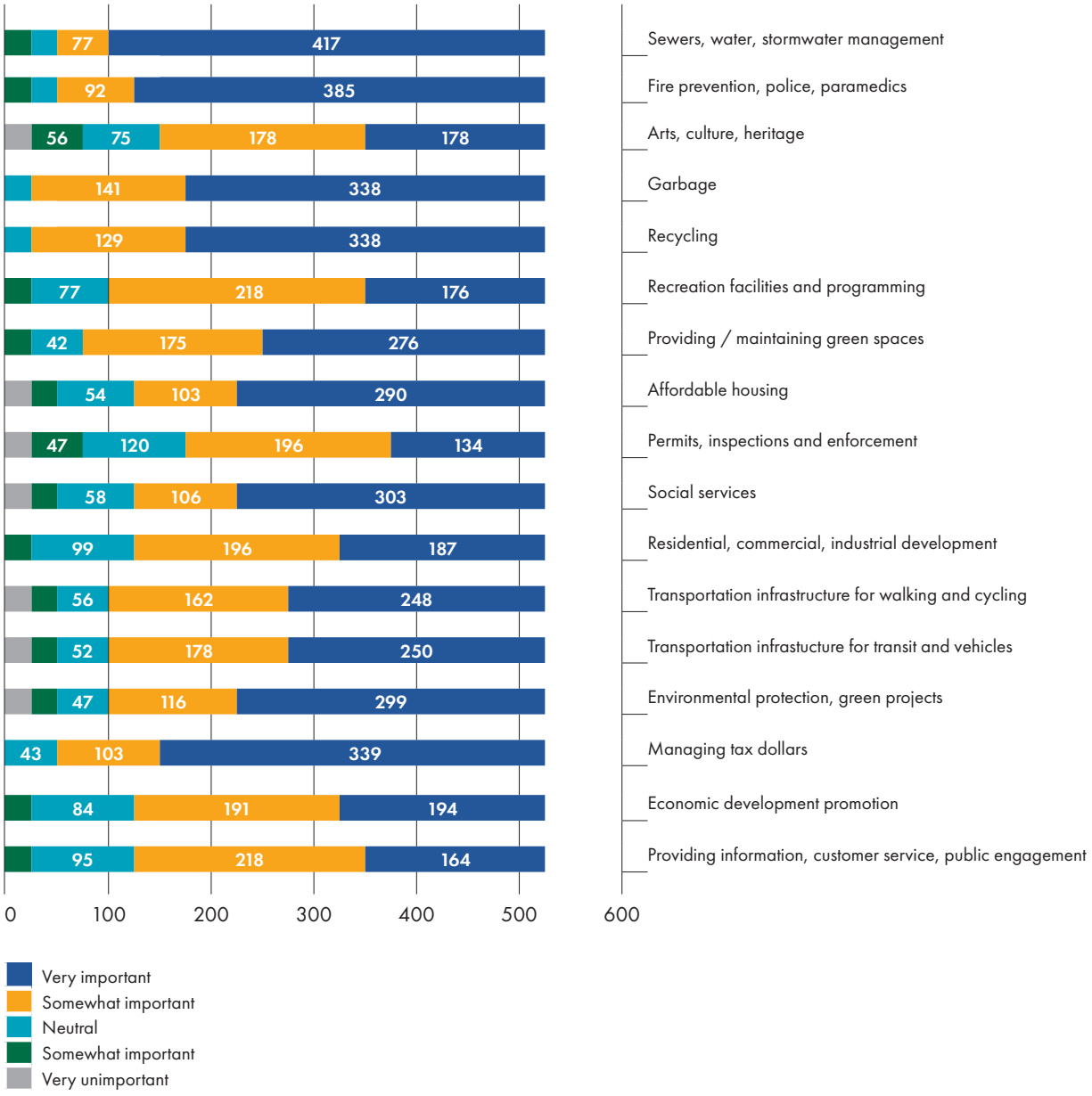
In 2019, survey respondents ranked the issues in the following order overall:

1. Housing, accommodations
2. Infrastructure, transportation
3. Cost of living
4. Social issues
5. Economy, jobs, economic issues
6. Health, public health
7. Environment, environmental issues, sustainability
8. Addiction and overdoses
9. Crime, criminal activity
10. Property taxes
11. Provision of recreation facilities
12. Governance and transparency

## Results Overview: Municipal Services

Survey participants were asked how well the City is doing in terms of service delivery and to indicate the importance of specific types of municipal services. For the second year, the following municipal service groups had the highest percentage of very important or somewhat important responses:

- Sewers, water, stormwater mannagement
- Fire prevention, police, paramedics
- Garbage
- Recycling

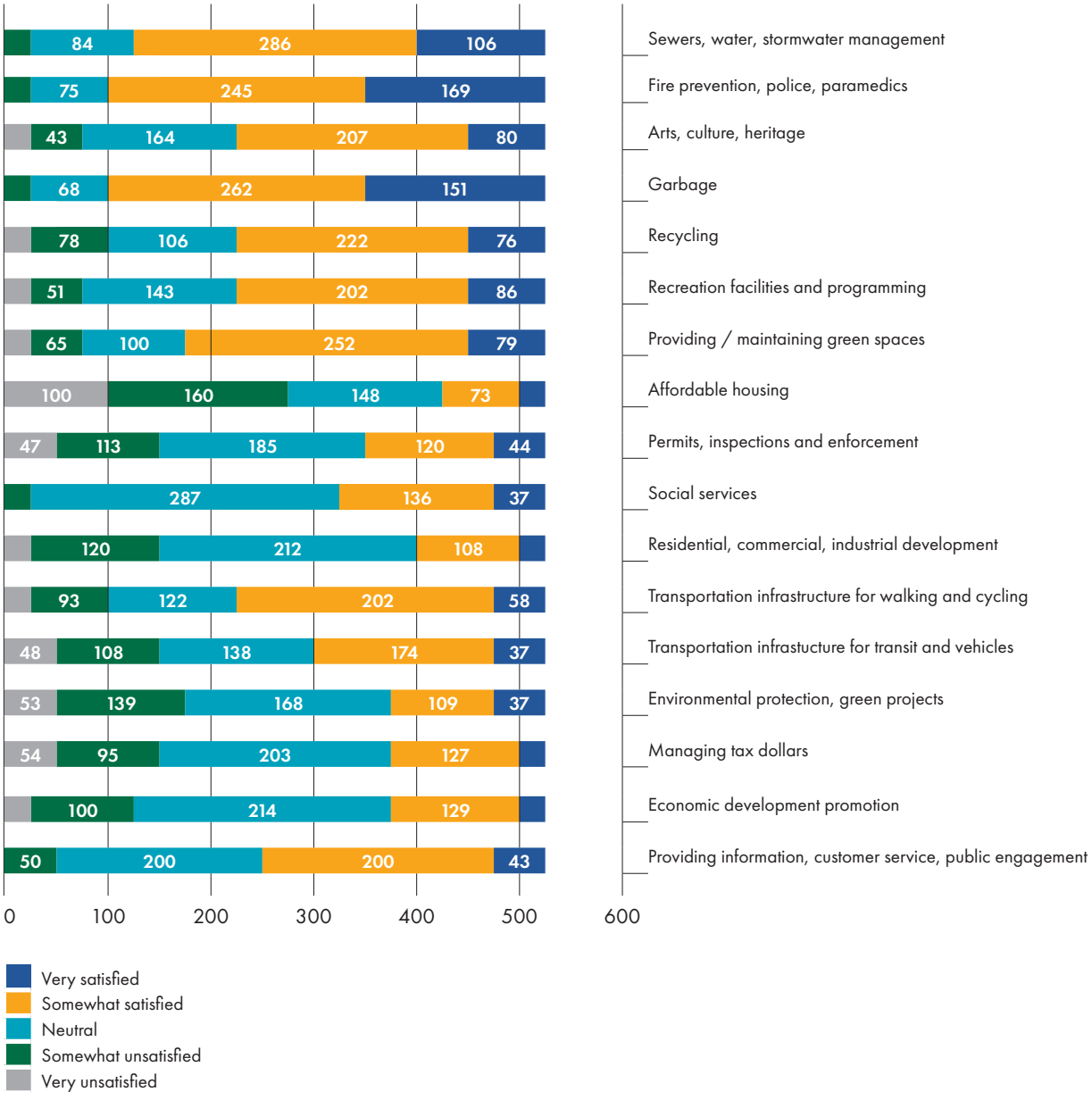


## Results Overview: Service Delivery

In terms of how well the City is delivering services, most respondents were either very satisfied or satisfied with the following municipally-funded services:

- Garbage
- Fire prevention, police, paramedics
- Sewer, water, stormwater management
- Providing and maintaining parks and greenspaces
- Recycling
- Providing access to recreation facilities and delivering recreational programing
- Arts, culture, and heritage
- Providing active transportation infrastructure for walking and cycling

The only category with most respondents indicating they were dissatisfied or very dissatisfied was enabling affordable housing.

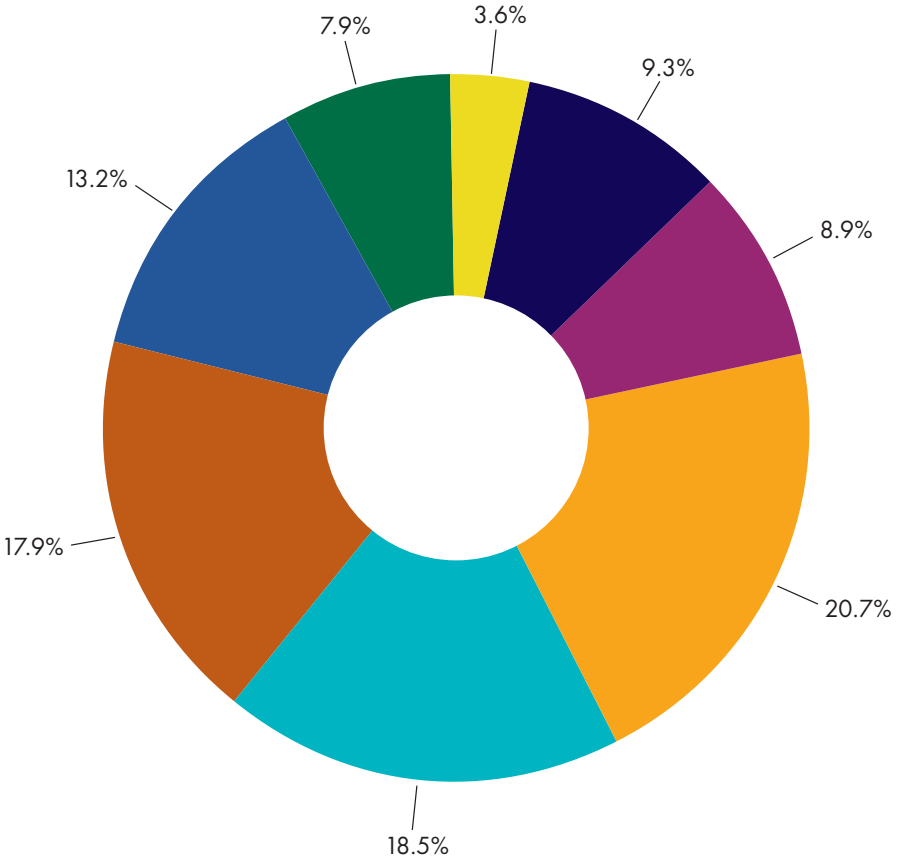


## Results Overview: Budget

### Property Taxes and Service Levels

Respondents indicated what they think the property tax change should be in 2021 based on their expectation for infrastructure and service levels *(estimated per month cost is based on assumptions for property value assessment for a typical home valued at $269,800 in 2021).*

- **20.7%** of respondents: 2% to 2.5% increase ($6.89 to $8.62 per month) Generally maintains existing levels of service.
- **18.5%** of respondents – 2.5% to 3% increase ($8.62 to $10.34 per month) – Maintain existing levels of service, keeping pace with inflationary increases and legislated requirements
- **17.9%** of respondents: 4% increase ($13.79 per month) Increase investments in infrastructure/services.
- **13.2%** of respondents: 5% increase ($17.23 per month) Substantially increase investments in infrastructure and services.
- **9.3%** of respondents: No property tax increase. Reduce service levels and infrastructure maintenance.
- **8.9%** of respondents: 1% increase ($3.45 per month). Will require reduction in services and infrastructure investments when accounting for inflationary increases and legislated requirements.
- **7.9%** of respondents: Other (responses included comments such as staffing reductions, eliminate the use of consultants, wage freezes, increasing revenue outside of property taxes, increasing taxes on large corporations, reducing spending on non-essential services, and increasing development charges).
- **3.6%** of respondents: Decrease property taxes; substantial decrease in services and investments in infrastructure.



## Results Overview: Budget

### Balancing the Budget

Participants were asked to consider some of the broad tools that the City has available for balancing its budget, as required by law. They could select one option or a mix of up to three options.

**46%** Increase user fees for City services that currently have fees (53% in 2019)

**46%** Introduce new user fees for some City services that currently have no feeds (55% in 2019)

**39%** selected increase property taxes (39% in 2019)

**28%** reduce service levels (32% in 2019)



## Results Overview: Consultation and Communication

### Future Consultation

Beyond the core questions on budget priorities, the City also asked questions about how respondents learned about the survey and how they want to get information about the budget to help us plan future consultations.

### Providing Budget Information

For how residents would like to get information on the budget, respondents indicated strong support for the use of the City's website, budget summaries and guide, as well as the use of social media.

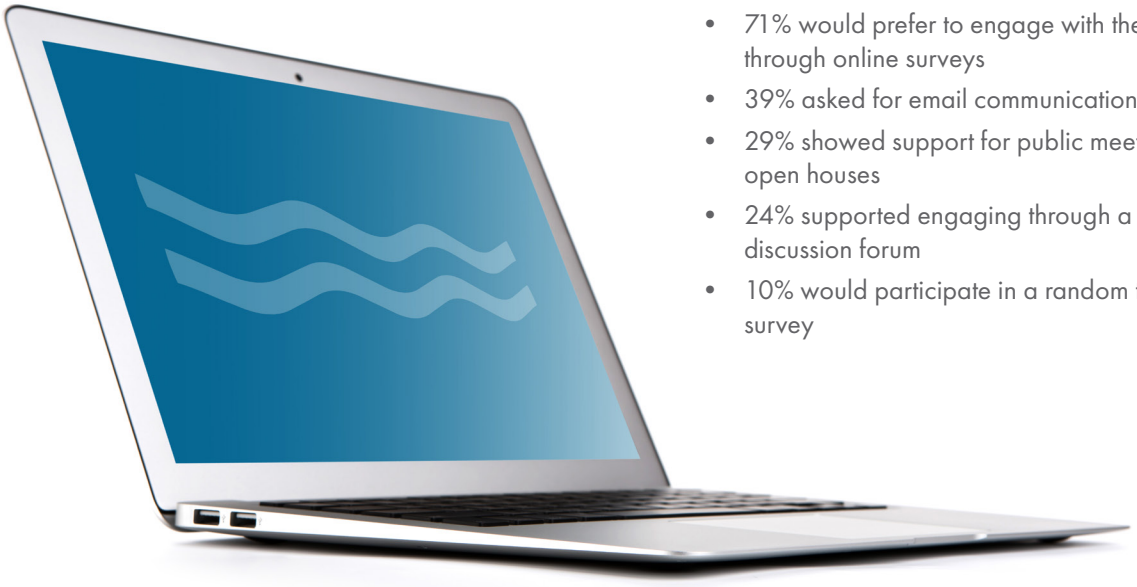
Respondents showed that people are getting their information from a range of sources with 21.4% of respondents saying they learned about the survey through Facebook, 21.1% from Twitter, 18.3% from news media, 17.2% from family or friends, 10.7% directly from the City's website, and 5.8% from other sources such as community groups.



### Future Communication

Survey respondents could choose up to three methods for how they would prefer to interact with the City.

- 71% would prefer to engage with the City through online surveys
- 39% asked for email communications
- 29% showed support for public meetings or open houses
- 24% supported engaging through a web-based discussion forum
- 10% would participate in a random telephone survey



The survey was one touch point for residents who want to engage in the budget process. This is the beginning of the process. There are several public meetings scheduled through the budget development process, with final approval of the budget expected in December 2020.

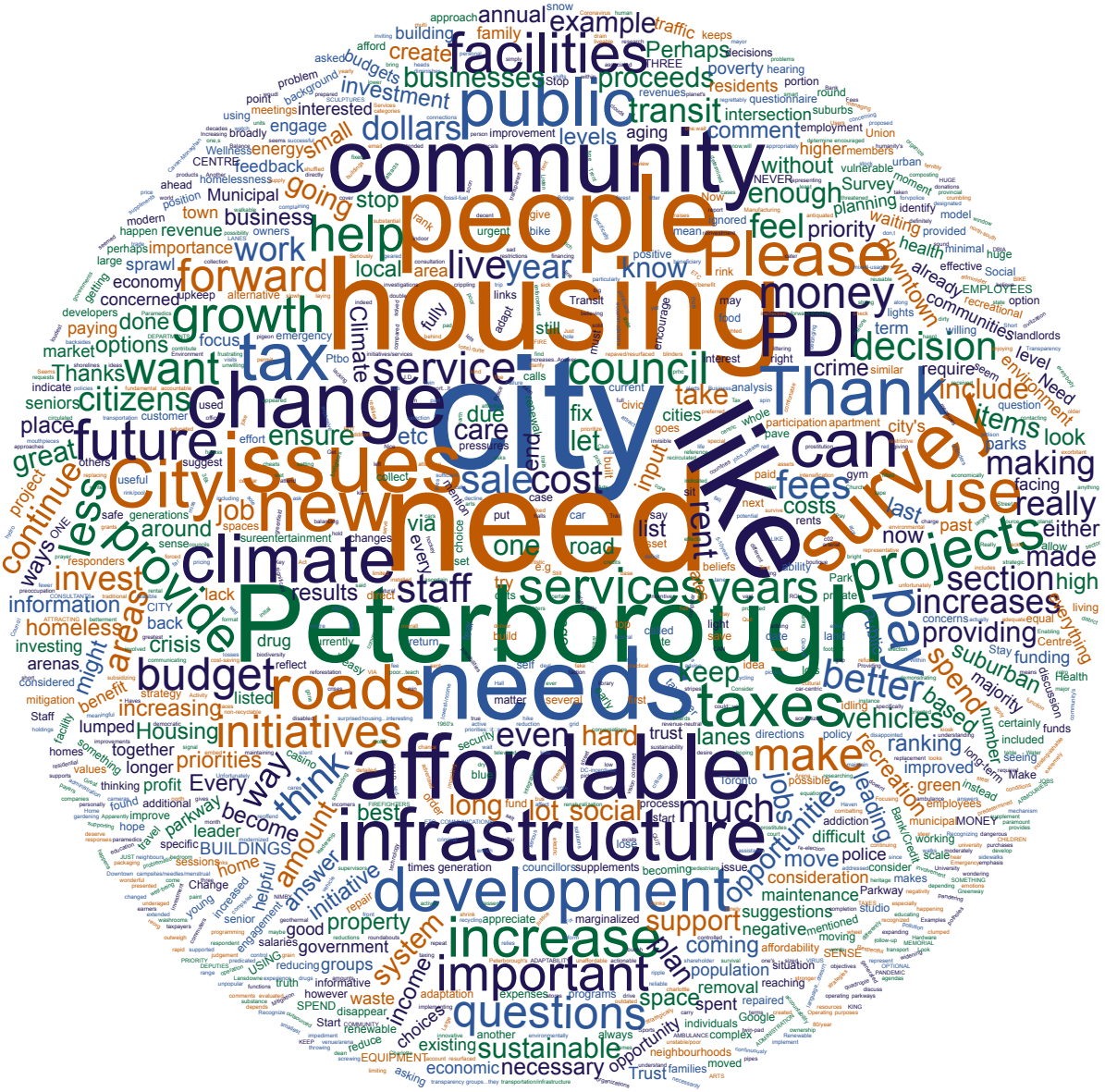
Information on engagement opportunities are posted online at peterborough.ca/budget, distributed to local media, and promoted through the City's various communications channels.

## Survey: Other Comments

Outside of the specific questions in the survey, the survey included an option at the end for respondents to provide other comments on the budget and PDI sale proceeds. Respondents provided comments on topics such as housing, infrastructure, climate change, roads, arts and culture, taxes, development planning, the environment, housing, poverty, and the economy.

### Complete Survey Results

Complete survey results with comments provided is available at peterborough.ca/budget. A plain text version of this document is available on request.



## Survey: Questions

**Q1** Do you have a home or business in the City of Peterborough?

**Q2** You don't need to be familiar with the City's budget to take part in this survey. We would like to understand how familiar the community is with the budget, this way we can work to provide the information people want and need.

**Q3** How important do you think the following services/programs are to the community?

**Q4** Please rate the following municipal services based on how well you think the municipally funded services are being delivered in our community.

**Q5** From your perspective, and recognizing that not everything is within City control, what are the most important local issues facing the City at the present time? (On a scale of 1-12, with 1 being the most important)

**Q6** If the most important issue facing the City at the present time was not listed in the question above, please tell us what it is.

**Q7** To balance the 2021 Budget as required by law, the City of Peterborough has a number of options to consider. Which of the following options would you prefer the City use to balance its budget? (Note: User fees are monies you would pay to the City to access specific services, facilities and utilities, such as licences, permits for using City-owned facilities such as arenas and recreation centres, and utilities such as stormwater management.) You can select one option or up to three options.

**Q8** To maintain levels of service, the City has typically increased taxes at about the rate of inflation, or about 2% annually. Based on your expectations for infrastructure and service levels, please tell us what you think the all-inclusive (municipal, education, and sewer surcharge) property tax level should be in 2021.*Please note that 2021 is a property reassessment year by the Municipal Property Assessment Corporation for properties across Ontario. The new assessments have not been released yet at the time of the launching of this survey. We've used an assumption of a 3.77% increase in the property value assessment for a typical home, not on water, which would be valued at $269,800 in 2021 to calculate the examples below. This is for illustrative purposes only, it does not reflect actual potential property tax increases.

**Q9** Some of the options Council is considering involve investing the money from the sale of PDI, which is expected to be about $50 million to $55 million, and then using the annual revenue generated from that investment for the community's infrastructure and capital needs. Under these options, the idea is that the money from the sale of PDI wouldn't be spent – the City would only spend the annual revenue generated from the investment of that money – protecting and potentially growing that main amount to benefit the community on an ongoing basis now and for future generations. At a high level, before considering specific investment options or specific projects to spend the money on, what do you think the City should do with the money from the sale?

**Q10** How would you like the City to spend the money the City gets directly from the sale of PDI (e.g. housing, roads, transit, cultural facilities, climate change initiatives, a new arena, a new major events and sports facility)?

**Q11** How would you like the City to spend the money the City gets directly from the sale of PDI (e.g. housing, roads, transit, cultural facilities, climate change initiatives, a new arena, a new major events and sports facility)?

## Survey: Questions

*(continued)*

**Q12** If the City invests the proceeds from the sale, how should the City spend the annual revenue generated from that investment? If the City invested $50 million and the return was 3% per year, the City generate $1.5 million per year in annual revenue from the investment. (Please choose your top choice)

**Q13** The City received information on two potential options for investing the funding: Creating a Legacy Fund for City investments in infrastructure and priorities that would be funded by investing the proceeds of the sale through the ONE Investment Group, which is a not-for-profit organization that advises and manages investment portfolios for Ontario municipalities; and Investing the money back into the Peterborough Utilities group of companies to fund renewable power generation projects, which would generate revenue for the City as the sole shareholder of the Peterborough Utilities group. The City could invest in one or both of those proposals to generate ongoing annual income, which is estimated to be in the range of 3% to 6% annually ($1.5 million to $3.3 million annually).Alternatively, the City could invest through something else other than Peterborough Utilities or ONE Investment. If Council decides to invest the proceeds from the sale of PDI, how should the money be invested?

**Q14** How did you find out about the 2021 Budget questionnaire?

**Q15** What ways would you like to be able to get information about the City's annual budget? (please select your top five)

**Q16** Thanks for sharing your experience with the City. We'd like to check in on how you would prefer to interact with us. From the list below, please tell us which channels you are most likely to participate in. Please select up to three.

**Q17** Do you own or rent your current place of residence?

**Q18** In which area of the City is your home address located (you don't need to consider any official boundaries - just choose how you identify the area where your home is located)?

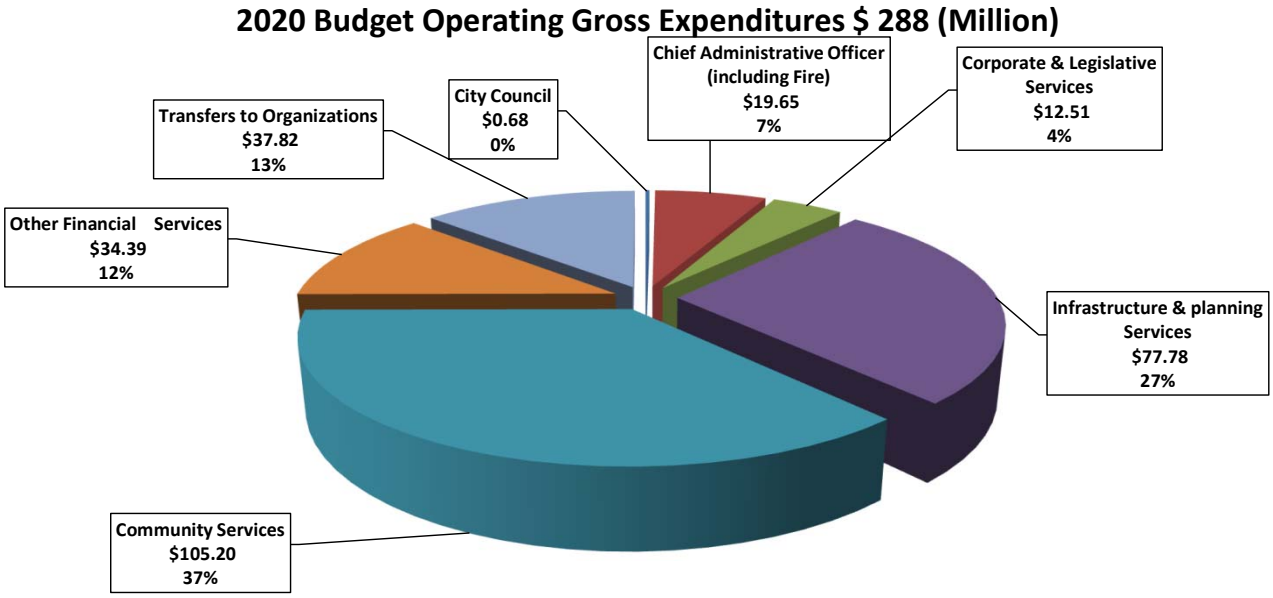
**Q19** In which age category do you fall?

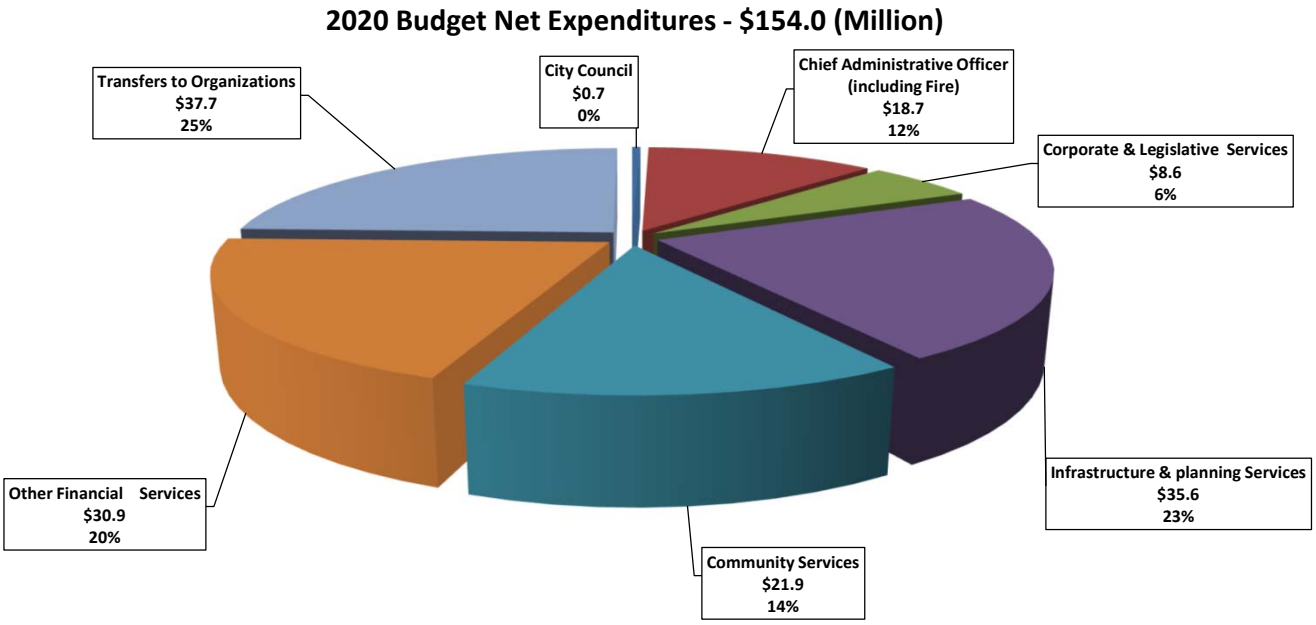
**Q20** Do you identify as...?

**Q21** And, finally, the City of Peterborough wants to know if you have any further comments or suggestions to add about any of the topics covered in this survey. Please type your comments in the space provided.

### Complete Survey Results

Complete survey results with comments provided is available at peterborough.ca/budget. A plain text version of this document is available on request.


2020 Budget Operating Gross Expenditures $ 288 (Million)
Chief Administrative Officer (including Fire)
$19.65
7%
Corporate & Legislative Services
$12.51
4%
City Council
$0.68
0%
Transfers to Organizations
$37.82
13%
Other Financial Services
$34.39
12%
Infrastructure & planning Services
$77.78
27%
Community Services
$105.20
37%


2020 Budget Net Expenditures - $154.0 (Million)
Transfers to Organizations
$37.7
25%
City Council
$0.7
0%
Chief Administrative Officer
(including Fire)
$18.7
12%
Corporate & Legislative Services
$8.6
6%
Infrastructure & planning Services
$35.6
23%
Community Services
$21.9
14%
Other Financial Services
$30.9
20%

## What a Residential Tax Payer Pays for Various Municipal Services
**For the Year 2020**
**Based on a Residential property assessed at $260,000**

| Service, Program, Transfers | Net Requirement Before Indirect Revenues | Allocated Indirect Revenue | Net tax Levy | Residential Municipal Tax Rate | Tax levy | % of Total |
|---|---|---|---|---|---|---|
| **City Council** | | | | | | |
| City Council | 677,167 | 72,181 | 604,986 | 0.005491% | 14.28 | 0.44% |
| | 677,167 | 72,181 | 604,986 | 0.005491% | 14.28 | 0.44% |
| **Chief Administrative Officer** | | | | | | |
| Office of Chief Administrative Officer | 533,001 | 56,814 | 476,187 | 0.004322% | 11.24 | 0.35% |
| Fire Services | 16,943,482 | 1,806,046 | 15,137,436 | 0.137391% | 357.22 | 11.00% |
| Emergency Management | 464,967 | 49,562 | 415,405 | 0.003770% | 9.80 | 0.30% |
| Communications | 742,109 | 79,103 | 663,006 | 0.006018% | 15.65 | 0.48% |
| | 18,683,559 | 1,991,525 | 16,692,034 | 0.151501% | 393.90 | 12.13% |
| **Corporate and Legislative ServicesServices** | | | | | | |
| City Clerk | 729,303 | 77,738 | 651,565 | 0.005914% | 15.38 | 0.47% |
| Financial Services | 1,954,842 | 208,371 | 1,746,471 | 0.015851% | 41.21 | 1.27% |
| Facilities Management | 1,144,759 | 122,023 | 1,022,736 | 0.009283% | 24.13 | 0.74% |
| Human Resources | 1,135,191 | 121,003 | 1,014,188 | 0.009205% | 23.93 | 0.74% |
| Corporate Information Services | 3,282,488 | 349,888 | 2,932,600 | 0.026617% | 69.20 | 2.13% |
| Facilities and Planning Initiatives | 142,584 | 15,198 | 127,386 | 0.001156% | 3.01 | 0.09% |
| Legal Services | 224,031 | 23,880 | 200,151 | 0.001817% | 4.72 | 0.15% |
| | 8,613,198 | 918,102 | 7,695,097 | 0.069842% | 182 | 5.59% |
| **Infrastructure Planning Services** | | | | | | |
| Office of Infrastructure & Planning Services | 275,445 | 29,360 | 246,085 | 0.002234% | 5.81 | 0.18% |
| Planning | 1,728,891 | 184,287 | 1,544,604 | 0.014019% | 36.45 | 1.12% |
| Peterborough Airport | 2,332,717 | 248,650 | 2,084,067 | 0.018915% | 49.18 | 1.51% |
| Building Inspection and Protective Services | 468,762 | 49,967 | 418,796 | 0.003801% | 9.88 | 0.30% |
| Engineering, Construction and Public Works | 11,654,685 | 1,242,301 | 10,412,384 | 0.094505% | 245.71 | 7.57% |
| Infrastrucure Management | 1,257,329 | 134,022 | 1,123,307 | 0.010195% | 26.51 | 0.82% |
| Transportation | 11,078,444 | 1,180,878 | 9,897,566 | 0.089832% | 233.56 | 7.19% |
| Environmental Services | 6,752,063 | 719,719 | 6,032,344 | 0.054751% | 142.35 | 4.38% |
| | 35,548,336 | 3,789,182 | 31,759,154 | 0.288253% | 749.46 | 23.08% |
| **Community Services** | | | | | | |
| Community Service Administration | 1,681,253 | 179,209 | 1,502,044 | 0.013633% | 35.45 | 1.09% |
| Recreation | 1,056,936 | 112,661 | 944,275 | 0.008570% | 22.28 | 0.69% |
| Arts, Culture and Heritage | 4,921,579 | 524,603 | 4,396,976 | 0.039908% | 103.76 | 3.20% |
| Arenas | 2,372,090 | 252,847 | 2,119,243 | 0.019235% | 50.01 | 1.54% |
| Social Services | 11,846,747 | 1,262,773 | 10,583,974 | 0.096062% | 249.76 | 7.69% |
| | 21,878,605 | 2,332,093 | 19,546,512 | 0.177408% | 461.26 | 14.21% |
| **Capital Levy, Debt & Financial Summary** | | | | | | |
| Capital Financing Costs | 26,640,151 | 2,839,638 | 23,800,513 | 0.216019% | 561.65 | 17.30% |
| Property Taxation Costs | 2,825,376 | 301,164 | 2,524,212 | 0.022910% | 59.57 | 1.83% |
| Other Expenditures | 1,010,108 | 107,670 | 902,438 | 0.008191% | 21.30 | 0.66% |
| Contingency Provision | 455,850 | 48,590 | 407,260 | 0.003696% | 9.61 | 0.30% |
| | 30,931,485 | 3,297,061 | 27,634,424 | 0.250816% | 652.12 | 20.09% |
| **Transfers to Organizations For Provision of Services** | | | | | | |
| Police Services | 26,392,214 | 2,813,209 | 23,579,005 | 0.214008% | 556.42 | 17.14% |
| Fairhaven | 2,029,074 | 216,284 | 1,812,790 | 0.016453% | 42.78 | 1.32% |
| Peterborough County/City Paramedics Service | 5,289,345 | 563,804 | 4,725,541 | 0.042890% | 111.51 | 3.43% |
| Otonabee Region Conservation Authority | 808,633 | 86,194 | 722,439 | 0.006557% | 17.05 | 0.53% |
| Primary Health Care Services Peterborough | 21,220 | 2,262 | 18,958 | 0.000172% | 0.45 | 0.01% |
| Peterborough Public Health | 1,463,501 | 155,998 | 1,307,503 | 0.011867% | 30.85 | 0.95% |
| Peterborough & Kawarthas Economic Development | 999,778 | 106,569 | 893,209 | 0.008107% | 21.08 | 0.65% |
| Humane Society | 365,194 | 38,927 | 326,267 | 0.002961% | 7.70 | 0.24% |
| Greater Peterborough Innovation Cluster | 140,000 | 14,923 | 125,077 | 0.001135% | 2.95 | 0.09% |
| DBIA | 150,000 | 15,989 | 134,011 | 0.001216% | 3.16 | 0.10% |
| | 37,658,959 | 4,014,159 | 33,644,800 | 0.305368% | 793.96 | 24.46% |
| **Total Net Expenditures** | 153,991,309 | 16,414,303 | 137,577,006 | 1.248679% | 3,246.57 | 100.00% |

**Notes**

1. 'Net Tax Levy' equals gross expenditures less all sources of direct revenues that my apply. For example, Transportation gross expenditures less transportation revenues equals net transportation tax levy.

2. Residential Municipal Tax Rate' shown is expressed as a percentage that when multiplied by CVA and divided by 100 equals the tax levy shown for each service. As example, the tax rate for Council is 0.005491% and the resulting tax levy for a house assessed at $260,000 is 14.28 (0.00005491 X $260,000 /100 = 14.28). Some totals and subtotals may not add exactly due to rounding differences.

3. Tax Levy shows what the taxpayer with the shown CVA pays in 2020 for the services.